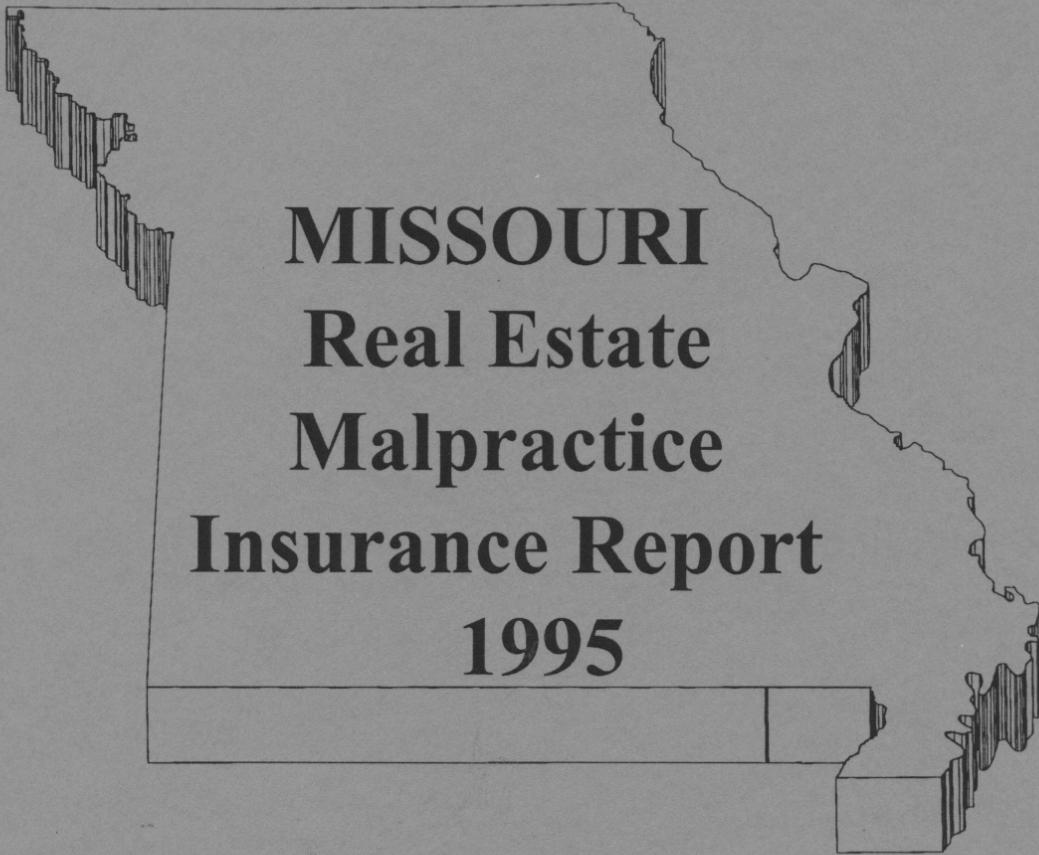


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MISSOURI
Real Estate
Malpractice
Insurance Report
1995



Missouri Department of Insurance
Statistics Section
October 1996

**MISSOURI
REAL ESTATE
MALPRACTICE
INSURANCE
REPORT
1995**

**Missouri Department of Insurance
Statistics Section
October 1996**

REAL ESTATE MALPRACTICE INSURANCE REPORT

EXECUTIVE SUMMARY

This report is a summary of Missouri Real Estate Malpractice data for the years 1986 to 1995. The charts, graphs and tables, which contain closed claim information, were constructed from data collected by the Missouri Department of Insurance as required by Section 383.060 RSMo. The premium and loss data obtained from the Missouri Page 15 Supplement, from the company's annual statements is presented in the final section.

The loss ratio for real estate malpractice in Missouri, during 1995, was 32 percent, compared to 58 percent in 1994. In 1995 there were 12 paid claims closed with an average paid amount of \$10,973. The average paid amount increased 20 percent from 1994.

From 1986 to 1995, 506 real estate malpractice claims were closed in Missouri. Of all claims closed, 158 (31%) were closed with payment and 348 (69%) claims were closed without payment.

In 1995 the average loss adjustment expense for all claims closed with payment was \$15,808 while the expenses for all claims closed without payment averaged only \$7,904.

In Section II, indemnities paid on closed claims are shown by various claim characteristics. The number of closed claims, average paid claim and total amount paid are included in each of these six categories:

- Area of real estate in which the claims were filed.
- Major activity in which the agent was engaged at the time the alleged error or omission occurred.
- Alleged error or omission which was the most significant reason for making the claim.
- The legal disposition of the claim at the closing date.
- The number of years the insured had been in practice at the time of the alleged error or omission.
- The relationship of the insured to the claimant.

Only 13 companies reported real estate malpractice insurance business in Missouri during 1995. The two top writers of real estate malpractice insurance in Missouri maintain 90 percent of the market: Continental Casualty Company with 59 percent and Employers Reinsurance Corporation 31 percent.

This report was compiled using information submitted by the insurance companies. As a result, the accuracy of this report is dependent upon the correctness of each company's data. Copies of this report will be made available in braille, large print or on audio cassette upon request. Any questions regarding this report should be addressed to the Statistics Section, Missouri Department of Insurance, P.O. Box 690, Jefferson City, Missouri 65102-0690.

The Missouri Department of Insurance
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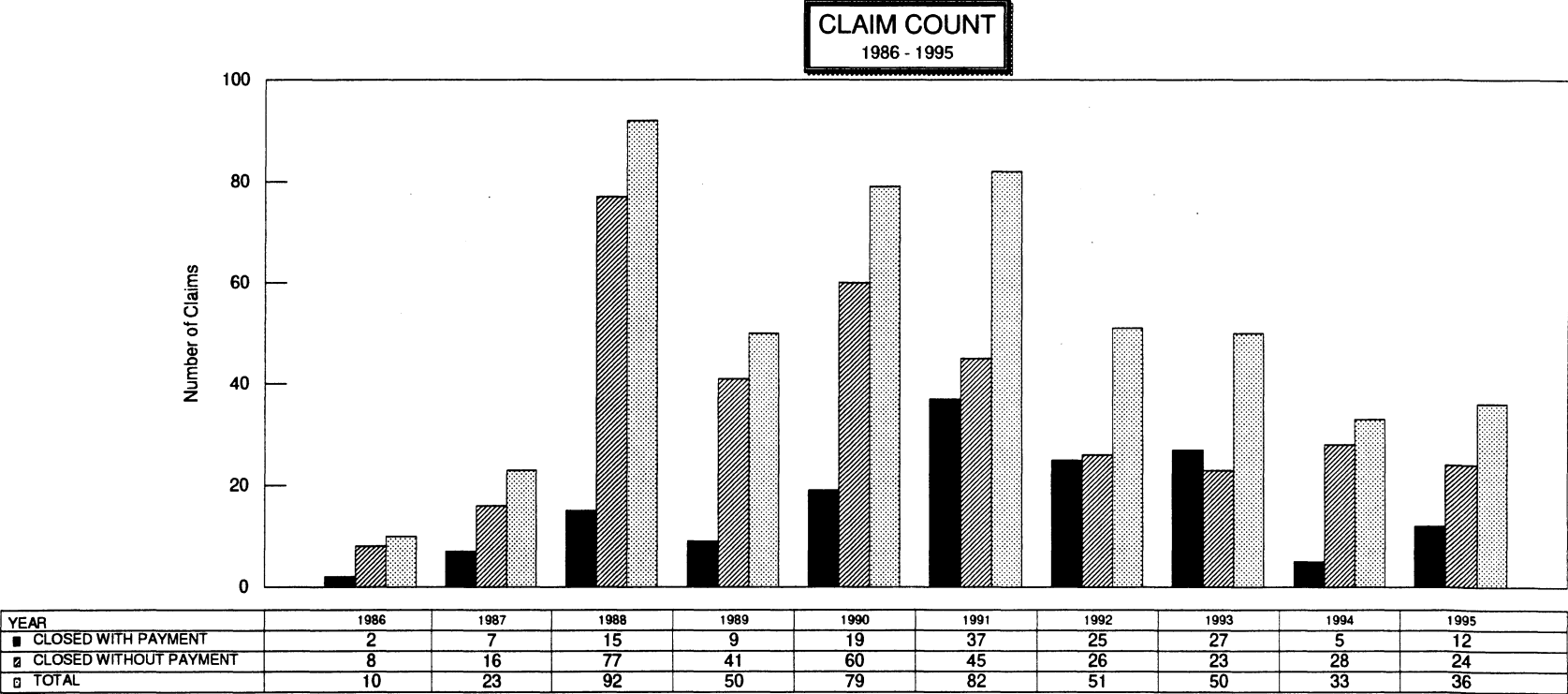
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**TEN YEAR
SUMMARY
(1986-1995)**

**REAL ESTATE MALPRACTICE EXPERIENCE
TEN YEAR SUMMARY
(1986 - 1995)**

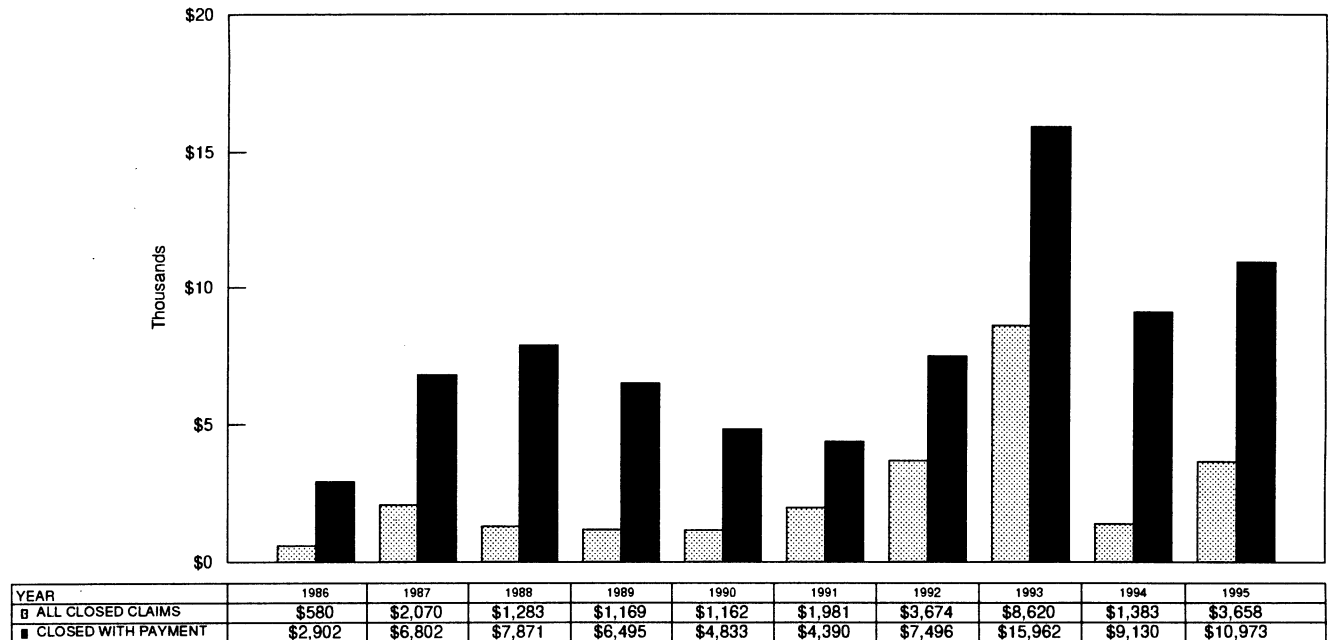
Closed Claims	Number of Claims	Percent of Claims	<u>INDEMNITY PAID</u>		<u>LOSS EXPENSES</u>	
			Total Claims Paid	Average Claim Paid	Total Expenses Paid	Average Expense Paid
All Closed Claims	506	100.0%	1,279,874	2,529	1,338,788	2,646
Closed with Payment	158	31.2%	1,279,874	8,100	877,759	5,555
Closed without Payment	348	68.8%	0	0	461,029	1,325

MISSOURI REAL ESTATE MALPRACTICE INSURANCE

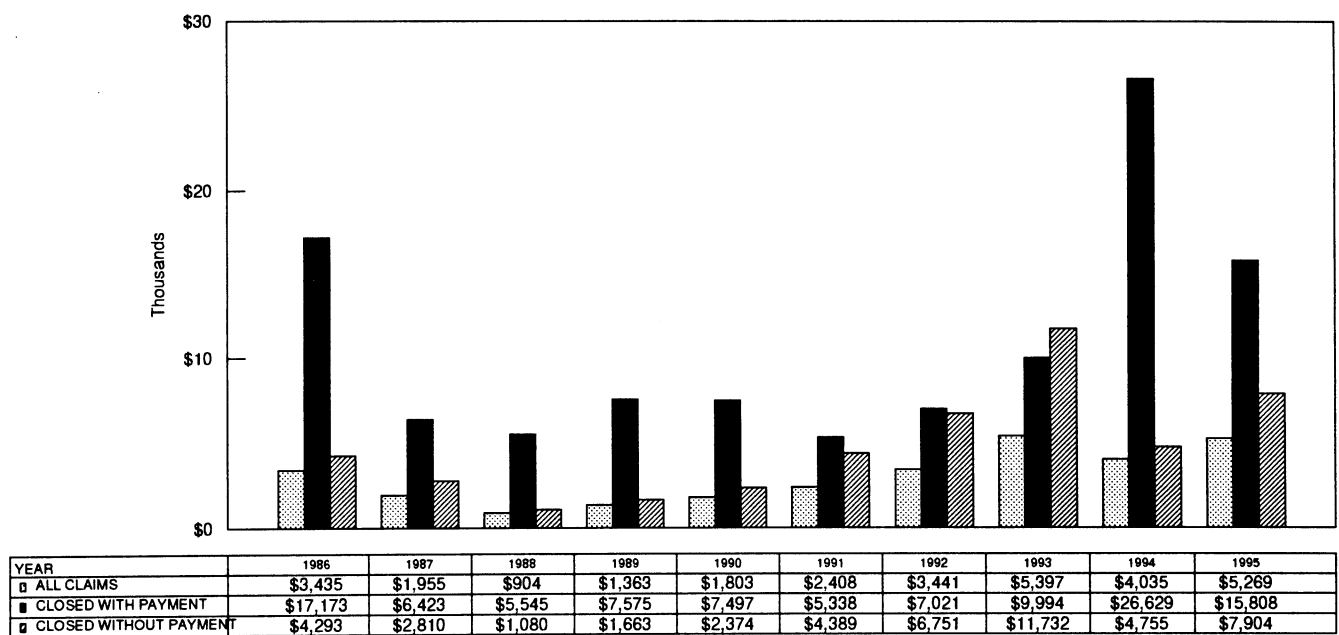


MISSOURI REAL ESTATE MALPRACTICE INSURANCE

AVERAGE PAID CLAIM



AVERAGE PAID LOSS ADJUSTMENT EXPENSE



**TEN YEAR SUMMARY
&
1995 SUMMARY
BY
AREA OF REAL ESTATE**

**REAL ESTATE MALPRACTICE INSURANCE
INDEMNITY SUMMARY
FOR YEARS 1986 - 1995**

AREA OF REAL ESTATE	ALL CLOSED CLAIMS	NUMBER OF PAID CLAIMS	PERCENT OF PAID CLAIMS	AVERAGE INDEMNITY PAID PER PAID CLAIM	TOTAL INDEMNITY	PERCENT OF TOTAL INDEMNITY	AVERAGE LOSS EXPENSE FOR ALL CLOSED CLAIMS
NOT SPECIFIED	217	57	36.08%	\$4,678	\$266,620	20.83%	\$1,231
AS AGENT TO PROCURE PURCHASE OF PROPERTY	208	73	46.20%	\$11,673	\$852,121	66.58%	\$3,855
AS AGENT TO PROCURE PROPERTY TO PURCHASE	78	27	17.09%	\$5,860	\$158,209	12.36%	\$3,198
OTHER	3	1	0.63%	\$2,924	\$2,924	0.23%	\$6,802
TOTAL	506	158	100.00%	\$8,100	\$1,279,874	100.00%	\$2,646

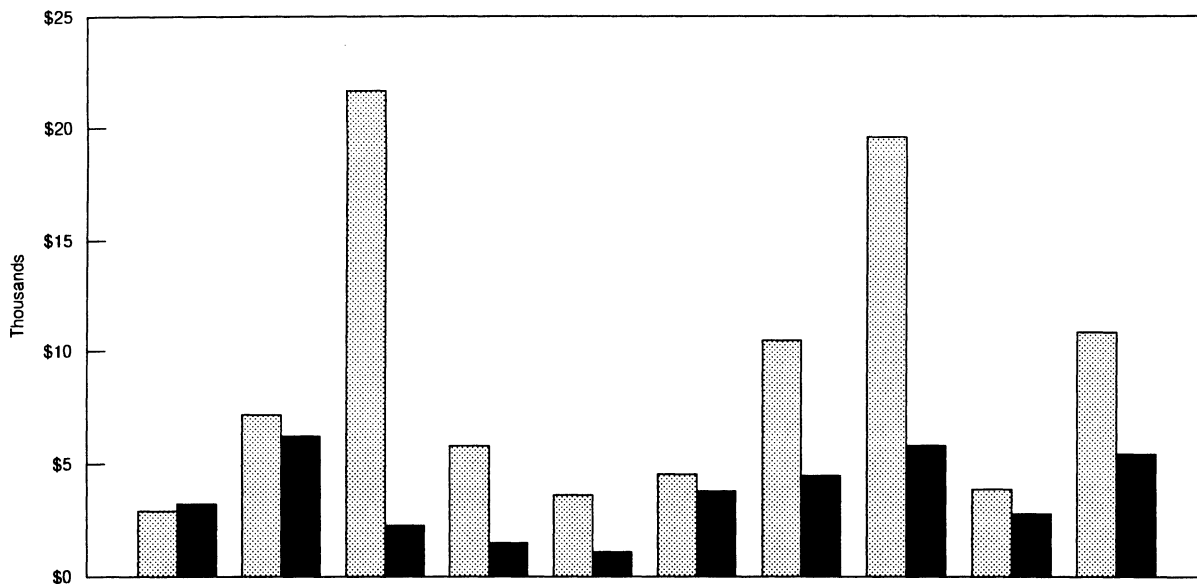
**REAL ESTATE MALPRACTICE INSURANCE
INDEMNITY SUMMARY
CLAIMS CLOSED IN 1995**

AREA OF REAL ESTATE	ALL CLOSED CLAIMS	NUMBER OF PAID CLAIMS	PERCENT OF PAID CLAIMS	AVERAGE INDEMNITY PAID PER PAID CLAIM	TOTAL INDEMNITY	PERCENT OF TOTAL INDEMNITY	AVERAGE LOSS EXPENSE FOR ALL CLOSED CLAIMS
AS AGENT TO PROCURE PURCHASE OF PROPERTY	32	11	91.67%	\$10.925	\$120,171	91.27%	\$5.456
AS AGENT TO PROCURE PROPERTY TO PURCHASE	4	1	8.33%	\$11,500	\$11,500	8.73%	\$3,772
TOTAL	36	12	100.00%	\$10.973	\$131,671	100.00%	\$5,269

**AREA OF REAL ESTATE
TRENDS
OF
1995**

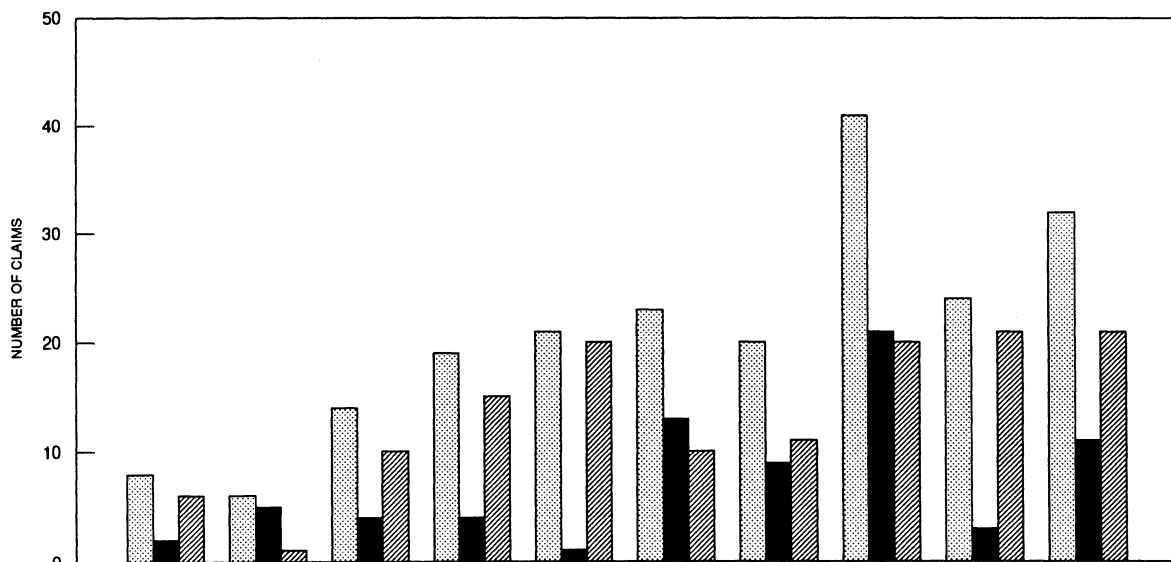
AS AGENT TO PROCURE PURCHASE OF PROPERTY

AVERAGE PAID INDEMNITY & AVERAGE LOSS EXPENSE



YEAR	1986	1987	1988	1989	1990	1991	1992	1993	1994	1995
AVG PAID INDEMNITY	\$2,902	\$7,140	\$21,650	\$5,799	\$3,606	\$4,521	\$10,517	\$19,618	\$3,884	\$10,925
AVG LOSS EXPENSE	\$3,209	\$6,213	\$2,253	\$1,483	\$1,082	\$3,774	\$4,487	\$5,823	\$2,770	\$5,456

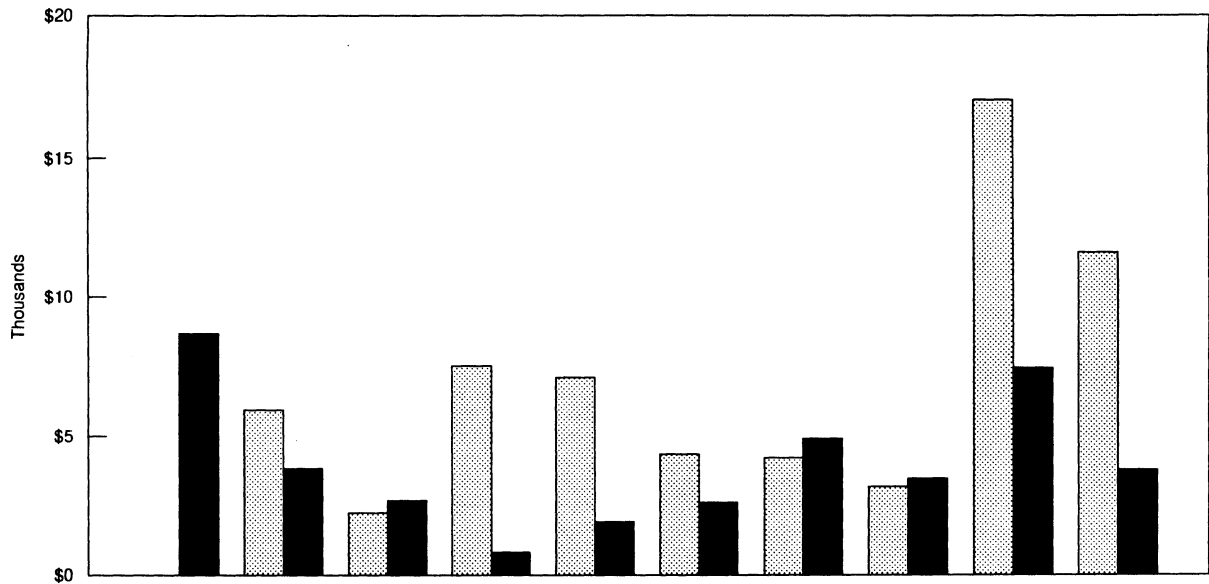
CLAIM COUNT



YEAR	1986	1987	1988	1989	1990	1991	1992	1993	1994	1995
ALL CLAIMS	8	6	14	19	21	23	20	41	24	32
CLOSED WITH PAYMENT	2	5	4	4	1	13	9	21	3	11
CLOSED WITHOUT PAYMENT	6	1	10	15	20	10	11	20	21	21

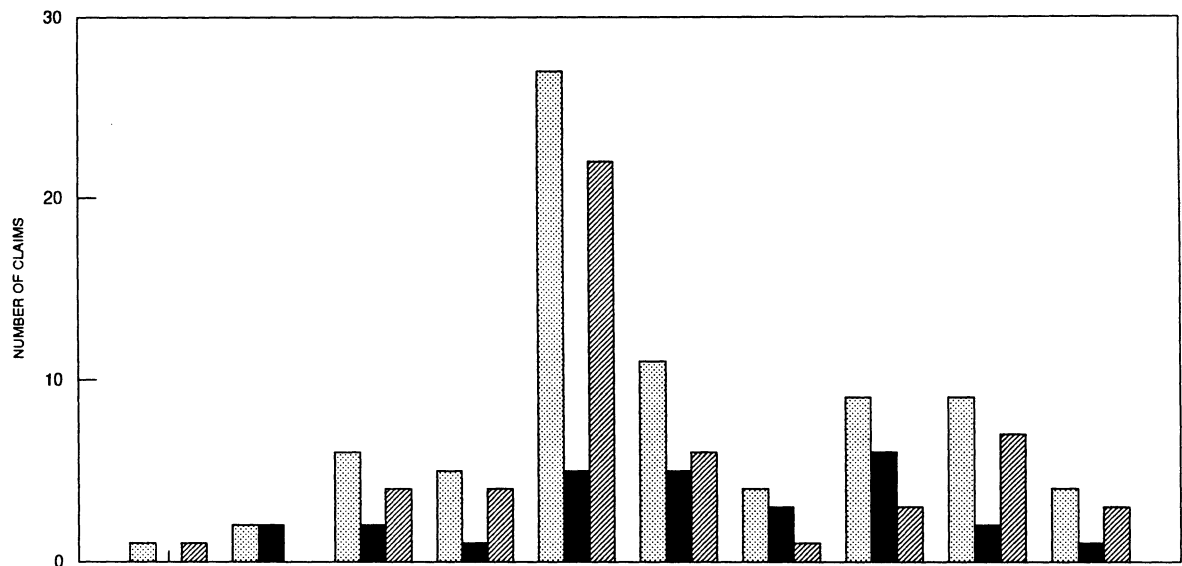
AS AGENT TO PROCURE PROPERTY TO PURCHASE

AVERAGE PAID INDEMNITY & AVERAGE LOSS EXPENSE



YEAR	1986	1987	1988	1989	1990	1991	1992	1993	1994	1995
AVG PAID INDEMNITY	\$0	\$5,957	\$2,250	\$7,500	\$7,095	\$4,350	\$4,190	\$3,167	\$17,000	\$11,500
AVG LOSS EXPENSE	\$8,676	\$3,842	\$2,682	\$810	\$1,917	\$2,618	\$4,891	\$3,455	\$7,407	\$3,772

CLAIM COUNT



YEAR	1986	1987	1988	1989	1990	1991	1992	1993	1994	1995
ALL CLAIMS	1	2	6	5	27	11	4	9	9	4
CLOSED WITH PAYMENT	0	2	2	1	5	5	3	6	2	1
CLOSED WITHOUT PAYMENT	1	0	4	4	22	6	1	3	7	3

**TEN YEAR SUMMARY
&
1995 SUMMARY
BY
MAJOR ACTIVITY**

**REAL ESTATE MALPRACTICE INSURANCE
INDEMNITY SUMMARY
FOR YEARS 1986 - 1995**

MAJOR ACTIVITY CODE	ALL CLOSED CLAIMS	NUMBER OF PAID CLAIMS	PERCENT OF PAID CLAIMS	AVERAGE INDEMNITY PAID PER PAID CLAIM	TOTAL INDEMNITY	PERCENT OF TOTAL INDEMNITY	AVERAGE LOSS EXPENSE FOR ALL CLOSED CLAIMS
NOT SPECIFIED	217	57	36.08%	\$4,678	\$266,620	20.83%	\$1,231
SHOWING PROPERTY	126	46	29.11%	\$9,614	\$442,246	34.55%	\$3,101
LISTING THE PROPERTY FOR SALE	116	39	24.68%	\$11,830	\$461,375	36.05%	\$3,495
CLOSING AND TRANSFERRING TITLE	47	16	10.13%	\$6,852	\$109,634	8.57%	\$5,861
TOTAL	506	158	100.00%	\$8,100	\$1,279,874	100.00%	\$2,646

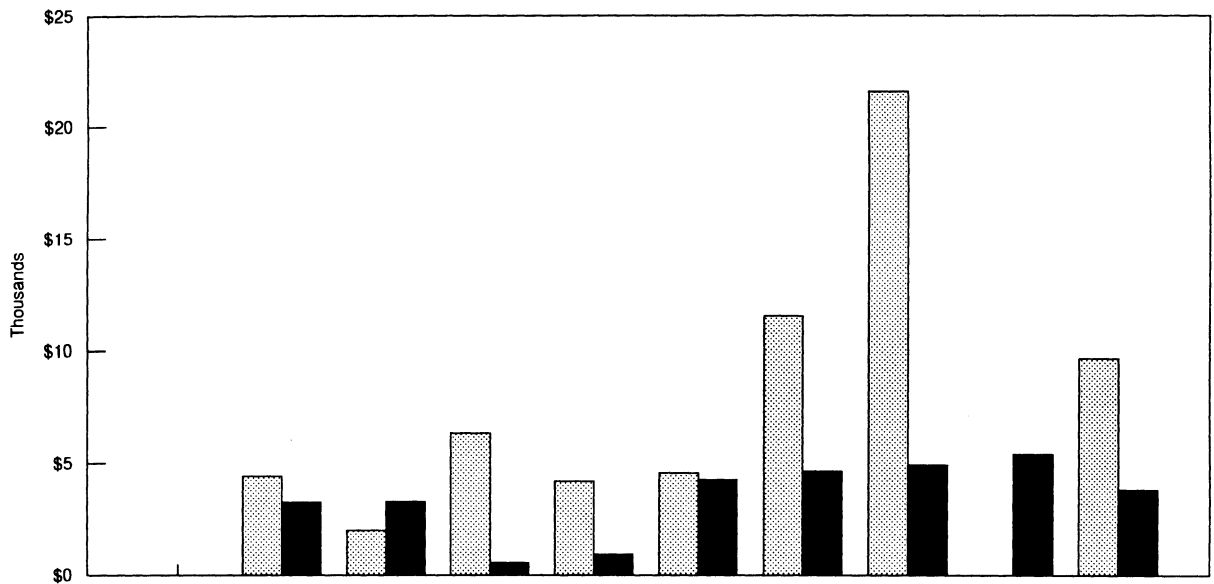
**REAL ESTATE MALPRACTICE INSURANCE
INDEMNITY SUMMARY
CLAIMS CLOSED IN 1995**

MAJOR ACTIVITY CODE	ALL CLOSED CLAIMS	NUMBER OF PAID CLAIMS	PERCENT OF PAID CLAIMS	AVERAGE INDEMNITY PAID PER PAID CLAIM	TOTAL INDEMNITY	PERCENT OF TOTAL INDEMNITY	AVERAGE LOSS EXPENSE FOR ALL CLOSED CLAIMS
LISTING THE PROPERTY FOR SALE	14	3	25.00%	\$9,717	\$29,152	22.14%	\$3,804
CLOSING AND TRANSFERRING TITLE	11	2	16.67%	\$10,000	\$20,000	15.19%	\$8,989
SHOWING PROPERTY	11	7	58.33%	\$11,788	\$82,519	62.67%	\$3,415
TOTAL	36	12	100.00%	\$10,973	\$131,671	100.00%	\$5,269

**MAJOR ACTIVITY
TRENDS
OF
1995**

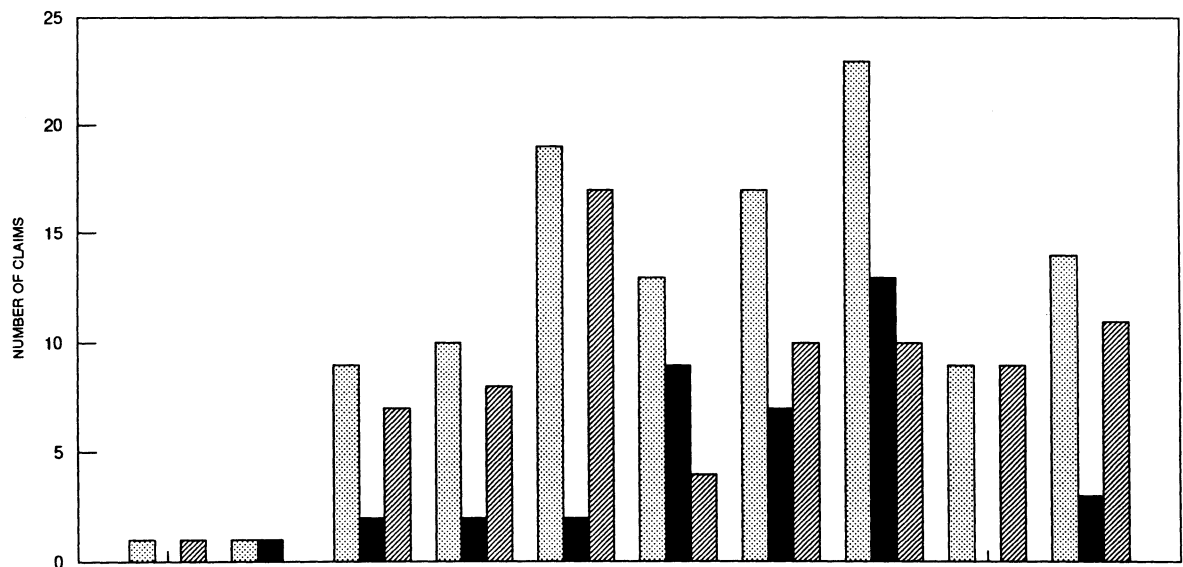
LISTING THE PROPERTY FOR SALE

AVERAGE PAID INDEMNITY & AVERAGE LOSS EXPENSE



YEAR	1986	1987	1988	1989	1990	1991	1992	1993	1994	1995
AVG PAID INDEMNITY	\$0	\$4,413	\$1,962	\$6,348	\$4,178	\$4,555	\$11,557	\$21,611	\$0	\$9,717
AVG LOSS EXPENSE	\$0	\$3,237	\$3,273	\$525	\$906	\$4,290	\$4,639	\$4,938	\$5,419	\$3,804

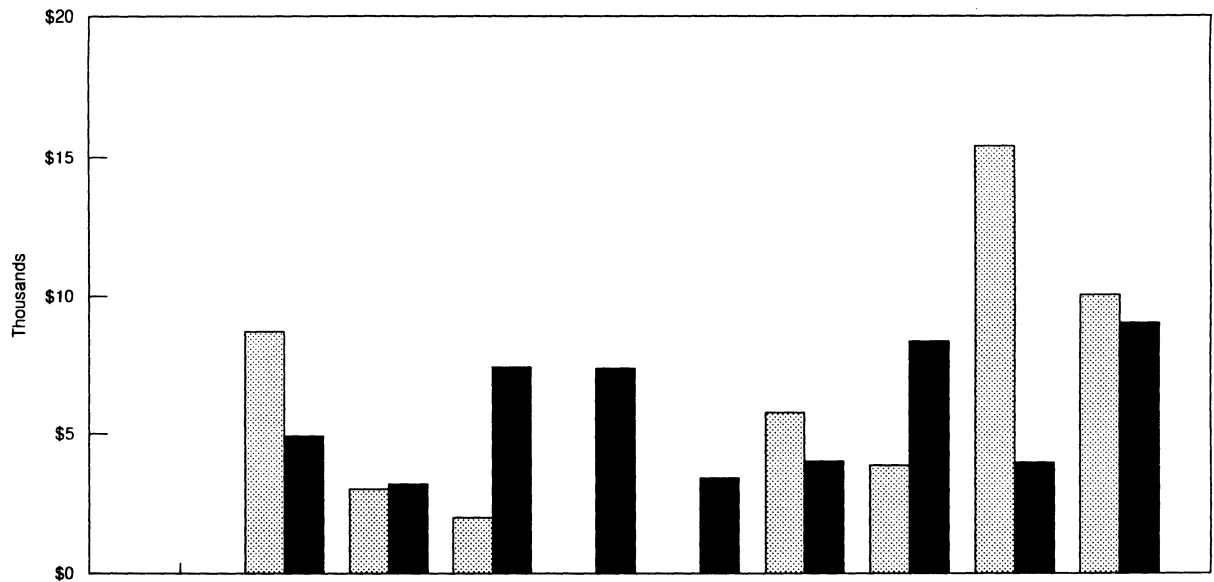
CLAIM COUNT



YEAR	1986	1987	1988	1989	1990	1991	1992	1993	1994	1995
ALL CLAIMS	1	1	9	10	19	13	17	23	9	14
CLOSED WITH PAYMENT	0	1	2	2	2	9	7	13	0	3
CLOSED WITHOUT PAYMENT	1	0	7	8	17	4	10	10	9	11

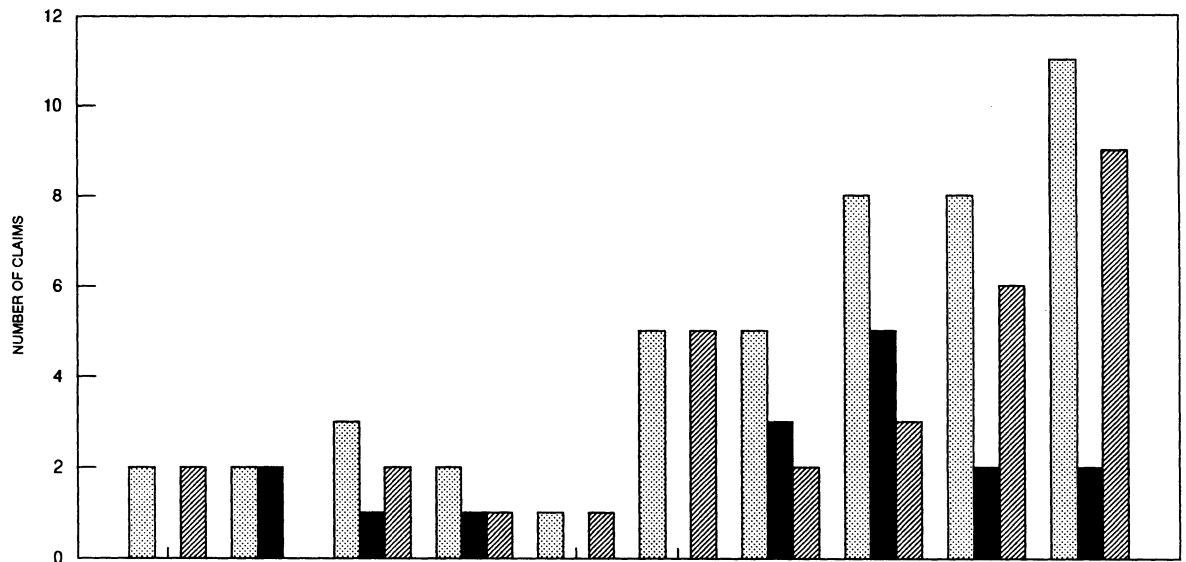
CLOSING AND TRANSFERRING TITLE

AVERAGE PAID INDEMNITY & AVERAGE LOSS EXPENSE



YEAR	1986	1987	1988	1989	1990	1991	1992	1993	1994	1995
AVG PAID INDEMNITY	\$0	\$8,700	\$3,000	\$2,000	\$0	\$0	\$5,750	\$3,867	\$15,325	\$10,000
AVG LOSS EXPENSE	\$0	\$4,926	\$3,187	\$7,391	\$7,345	\$3,397	\$4,002	\$8,320	\$3,938	\$8,989

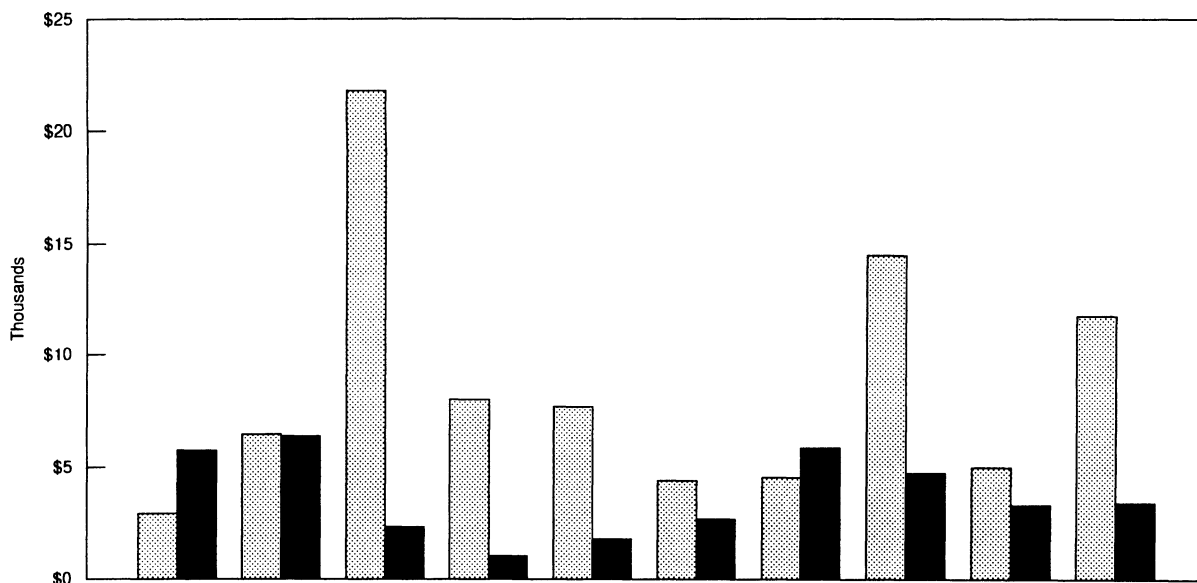
CLAIM COUNT



YEAR	1986	1987	1988	1989	1990	1991	1992	1993	1994	1995
ALL CLAIMS	2	2	3	2	1	5	5	8	8	11
CLOSED WITH PAYMENT	0	2	1	1	0	0	3	5	2	2
CLOSED WITHOUT PAYMENT	2	0	2	1	1	5	2	3	6	9

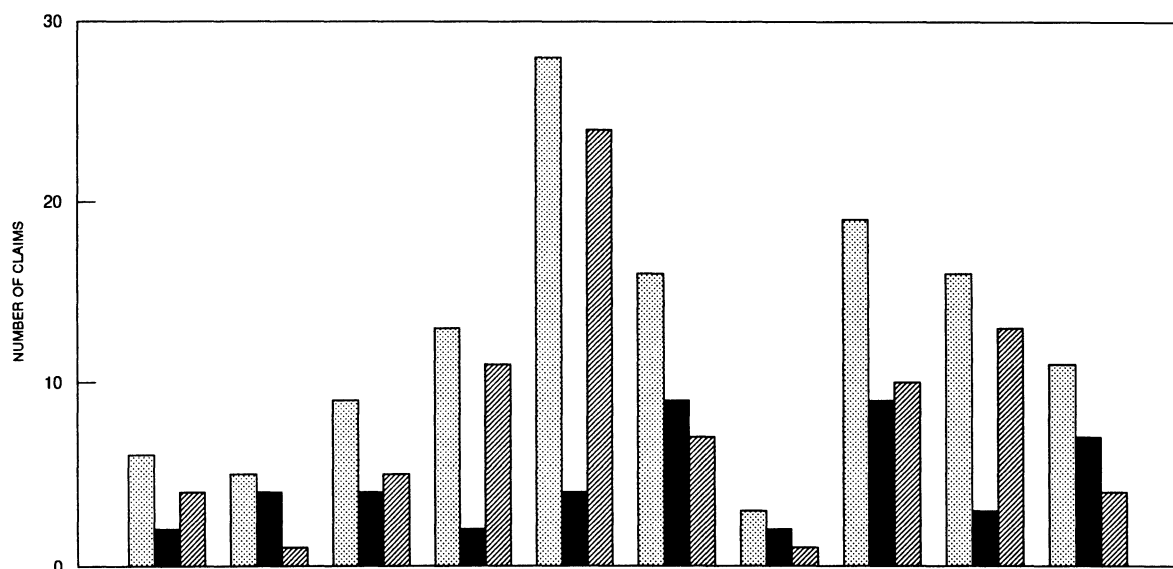
SHOWING PROPERTY

AVERAGE PAID INDEMNITY & AVERAGE LOSS EXPENSE



YEAR	1986	1987	1988	1989	1990	1991	1992	1993	1994	1995
AVG PAID INDEMNITY	\$2,902	\$6,450	\$21,775	\$8,000	\$7,682	\$4,392	\$4,535	\$14,522	\$5,000	\$11,788
AVG LOSS EXPENSE	\$5,724	\$6,375	\$2,316	\$1,021	\$1,783	\$2,677	\$5,846	\$4,721	\$3,304	\$3,415

CLAIM COUNT



YEAR	1986	1987	1988	1989	1990	1991	1992	1993	1994	1995
ALL CLAIMS	6	5	9	13	28	16	3	19	16	11
CLOSED WITH PAYMENT	2	4	4	2	4	9	2	9	3	7
CLOSED WITHOUT PAYMENT	4	1	5	11	24	7	1	10	13	4

**TEN YEAR SUMMARY
&
1995 SUMMARY
BY
ALLEGED ERROR OR OMISSION**

**REAL ESTATE MALPRACTICE INSURANCE
INDEMNITY SUMMARY
FOR YEARS 1986 - 1995**

ALLEGED ERROR OR OMISSION	ALL CLOSED CLAIMS	NUMBER OF PAID CLAIMS	PERCENT OF PAID CLAIMS	AVERAGE INDEMNITY PAID PER PAID CLAIM	TOTAL INDEMNITY	PERCENT OF TOTAL INDEMNITY	AVERAGE LOSS EXPENSE FOR ALL CLOSED CLAIMS
FAILURE TO DISCLOSE MATERIAL FACT ABOUT THE PROPERTY	218	76	48.10%	\$10,740	\$816,212	63.77%	\$3,683
NOT SPECIFIED	218	58	36.71%	\$4,726	\$274,120	21.42%	\$1,246
OTHER	49	13	8.23%	\$9,004	\$117,050	9.15%	\$3,474
FAILURE TO CORRECTLY COMPLETE FORMS TO TRANSFER OWNERSHIP	21	11	6.96%	\$6,590	\$72,493	5.66%	\$4,478
TOTAL	506	158	100.00%	\$8,100	\$1,279,874	100.00%	\$2,646

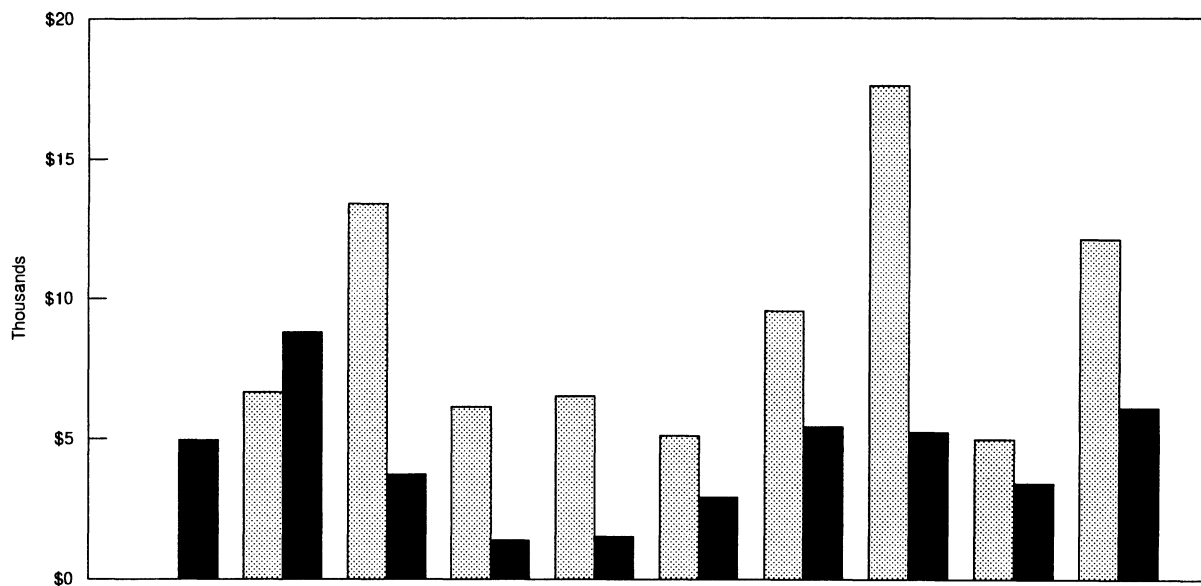
**REAL ESTATE MALPRACTICE INSURANCE
INDEMNITY SUMMARY
CLAIMS CLOSED IN 1995**

ALLEGED ERROR OR OMISSION	ALL CLOSED CLAIMS	NUMBER OF PAID CLAIMS	PERCENT OF PAID CLAIMS	AVERAGE INDEMNITY PAID PER PAID CLAIM	TOTAL INDEMNITY	PERCENT OF TOTAL INDEMNITY	AVERAGE LOSS EXPENSE FOR ALL CLOSED CLAIMS
FAILURE TO DISCLOSE MATERIAL FACT ABOUT THE PROPERTY	29	10	83.33%	\$12,228	\$122,278	92.87%	\$6,129
OTHER	6	1	8.33%	\$8,750	\$8,750	6.65%	\$1,802
FAILURE TO CORRECTLY COMPLETE FORMS TO TRANSFER OWNERSHIP	1	1	8.33%	\$643	\$643	0.49%	\$1,143
TOTAL	36	12	100.00%	\$10,973	\$131,671	100.00%	\$5,269

**ALLEGED ERROR OR OMISSION
TRENDS
OF
1995**

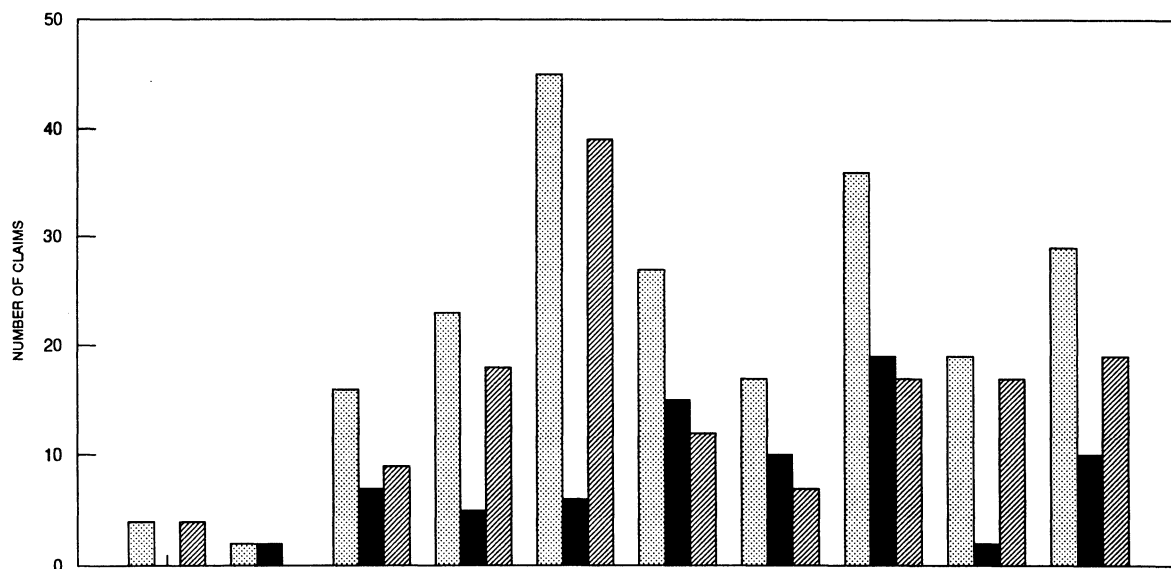
FAILURE TO DISCLOSE MATERIAL FACT ABOUT THE PROPERTY

AVERAGE PAID INDEMNITY & AVERAGE LOSS EXPENSE



YEAR	1986	1987	1988	1989	1990	1991	1992	1993	1994	1995
AVG PAID INDEMNITY	\$0	\$6,649	\$13,432	\$6,139	\$6,514	\$5,118	\$9,572	\$17,597	\$5,000	\$12,228
AVG LOSS EXPENSE	\$4,959	\$8,799	\$3,741	\$1,401	\$1,535	\$2,947	\$5,446	\$5,253	\$3,438	\$6,129

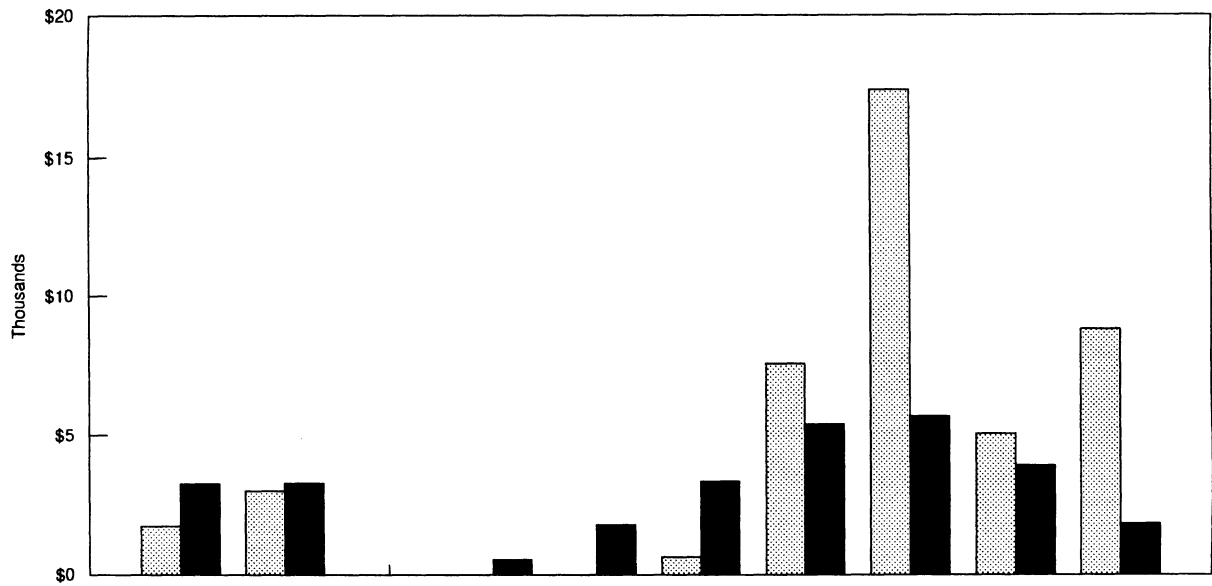
CLAIM COUNT



YEAR	1986	1987	1988	1989	1990	1991	1992	1993	1994	1995
ALL CLAIMS	4	2	16	23	45	27	17	36	19	29
CLOSED WITH PAYMENT	0	2	7	5	6	15	10	19	2	10
CLOSED WITHOUT PAYMENT	4	0	9	18	39	12	7	17	17	19

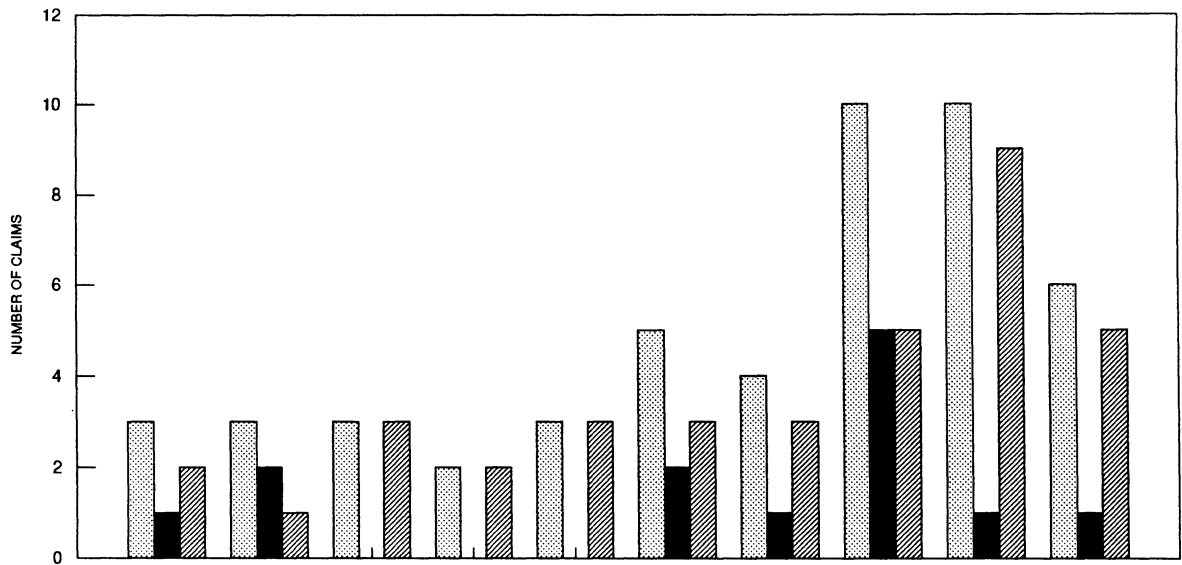
OTHER

AVERAGE PAID INDEMNITY & AVERAGE LOSS EXPENSE



YEAR	1986	1987	1988	1989	1990	1991	1992	1993	1994	1995
AVG PAID INDEMNITY	\$1,750	\$3,000	\$0	\$0	\$0	\$625	\$7,500	\$17,360	\$5,000	\$8,750
AVG LOSS EXPENSE	\$3,255	\$3,277	\$0	\$540	\$1,795	\$3,318	\$5,378	\$5,643	\$3,882	\$1,802

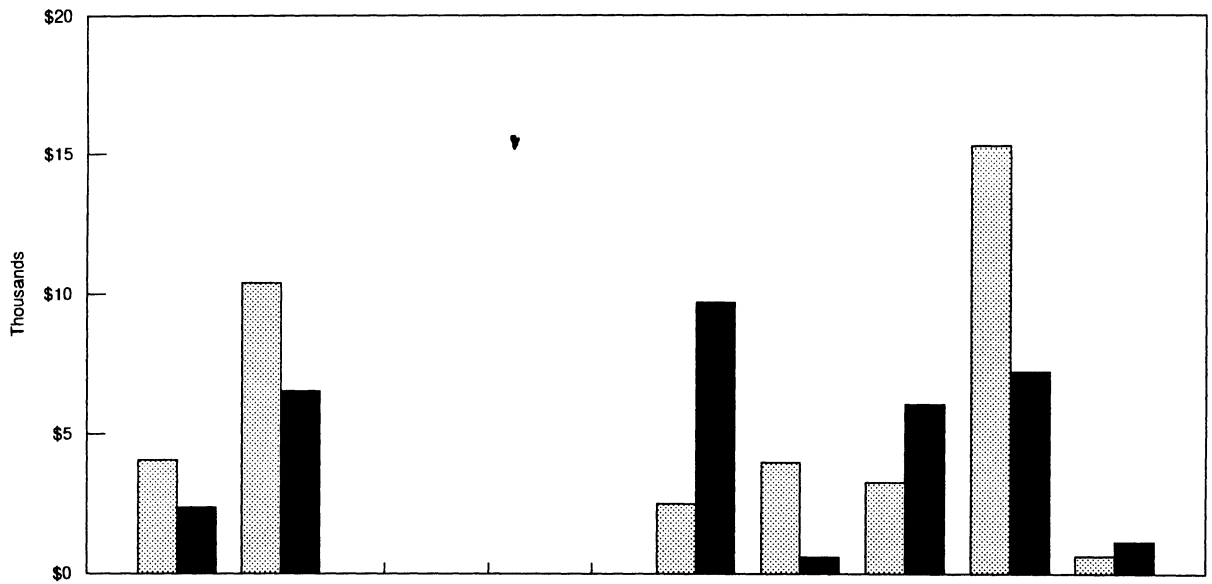
CLAIM COUNT



YEAR	1986	1987	1988	1989	1990	1991	1992	1993	1994	1995
ALL CLAIMS	3	3	3	2	3	5	4	10	10	6
CLOSED WITH PAYMENT	1	2	0	0	0	2	1	5	1	1
CLOSED WITHOUT PAYMENT	2	1	3	2	3	3	3	5	9	5

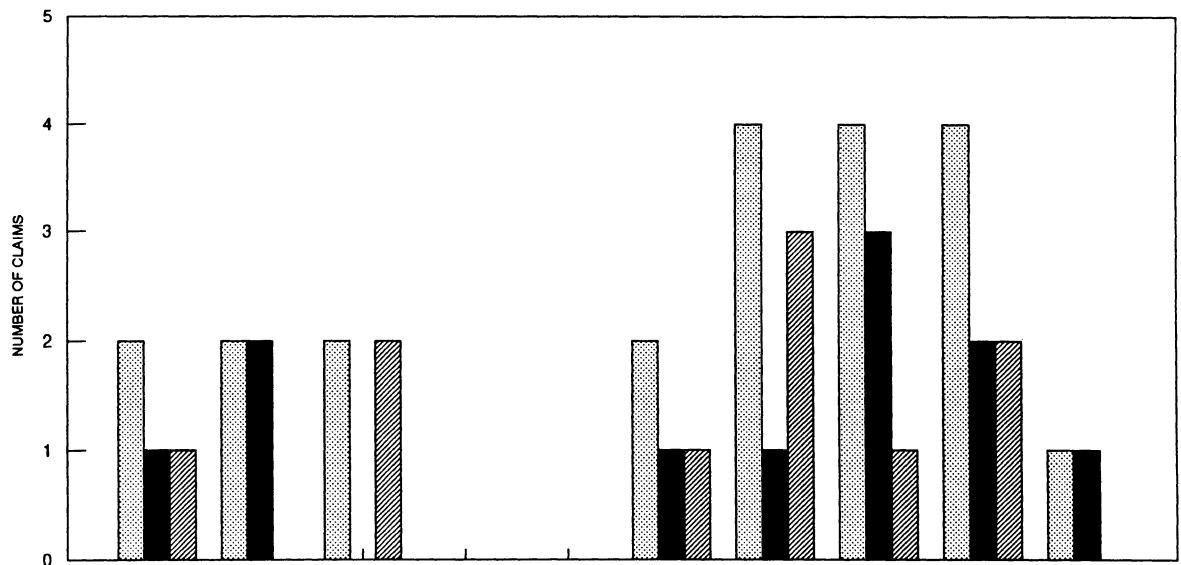
FAILURE TO CORRECTLY COMPLETE FORMS TO TRANSFER OWNERSHIP

AVERAGE PAID INDEMNITY & AVERAGE LOSS EXPENSE



YEAR	1986	1987	1988	1989	1990	1991	1992	1993	1994	1995
AVG PAID INDEMNITY	\$4,053	\$10,407	\$0	\$0	\$0	\$2,500	\$4,000	\$3,278	\$15,325	\$643
AVG LOSS EXPENSE	\$2,372	\$6,544	\$0	\$0	\$0	\$9,719	\$579	\$6,077	\$7,250	\$1,143

CLAIM COUNT



YEAR	1986	1987	1988	1989	1990	1991	1992	1993	1994	1995
ALL CLAIMS	2	2	2	0	0	2	4	4	4	1
CLOSED WITH PAYMENT	1	2	0	0	0	1	1	3	2	1
CLOSED WITHOUT PAYMENT	1	0	2	0	0	1	3	1	2	0

**TEN YEAR SUMMARY
&
1995 SUMMARY
BY
CLAIM DISPOSITION**

**REAL ESTATE MALPRACTICE INSURANCE
INDEMNITY SUMMARY
FOR YEARS 1986 - 1995**

CLAIM DISPOSITION	ALL CLOSED CLAIMS	NUMBER OF PAID CLAIMS	PERCENT OF PAID CLAIMS	AVERAGE INDEMNITY PAID PER PAID CLAIM	TOTAL INDEMNITY	PERCENT OF TOTAL INDEMNITY	AVERAGE LOSS EXPENSE FOR ALL CLOSED CLAIMS
NOT SPECIFIED	272	74	46.84%	\$5,074	\$375,449	29.33%	\$1,403
BEFORE TRIAL OR HEARING	110	71	44.94%	\$10,766	\$764,383	59.72%	\$5,262
CLAIM OR SUIT ABANDONED	56	2	1.27%	\$3,325	\$6,651	0.52%	\$1,214
BEFORE FILING SUIT OR DEMANDING HEARING	41	7	4.43%	\$10,035	\$70,244	5.49%	\$1,495
AFTER JUDGMENT, BEFORE APPEAL	16	0	0.00%	\$0	\$0	0.00%	\$9,750
DURING TRIAL OR HEARING	10	4	2.53%	\$15,787	\$63,148	4.93%	\$8,702
AFTER APPEAL	1	0	0.00%	\$0	\$0	0.00%	\$6,028
TOTAL	506	158	100.00%	\$8,100	\$1,279,874	100.00%	\$2,646

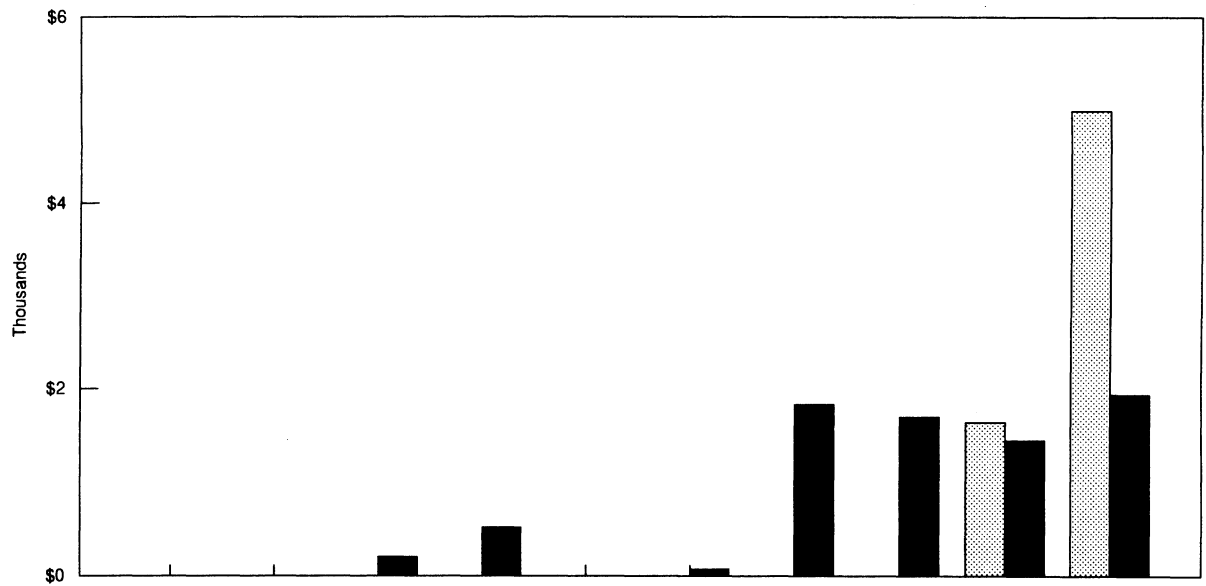
**REAL ESTATE MALPRACTICE INSURANCE
INDEMNITY SUMMARY
CLAIMS CLOSED IN 1995**

CLAIM DISPOSITION	ALL CLOSED CLAIMS	NUMBER OF PAID CLAIMS	PERCENT OF PAID CLAIMS	AVERAGE INDEMNITY PAID PER PAID CLAIM	TOTAL INDEMNITY	PERCENT OF TOTAL INDEMNITY	AVERAGE LOSS EXPENSE FOR ALL CLOSED CLAIMS
CLAIM OR SUIT ABANDONED	14	1	8.33%	\$5,000	\$5,000	3.80%	\$1,958
BEFORE TRIAL OR HEARING	11	7	58.33%	\$7,503	\$52,523	39.89%	\$4,380
BEFORE FILING SUIT OR DEMANDING HEARING	6	2	16.67%	\$8,750	\$17,500	13.29%	\$230
AFTER JUDGMENT, BEFORE APPEAL	3	0	0.00%	\$0	\$0	0.00%	\$28,810
DURING TRIAL OR HEARING	2	2	16.67%	\$28,324	\$56,648	43.02%	\$13,140
TOTAL	36	12	100.00%	\$10,973	\$131,671	100.00%	\$5,269

**CLAIM DISPOSITION
TRENDS
OF
1995**

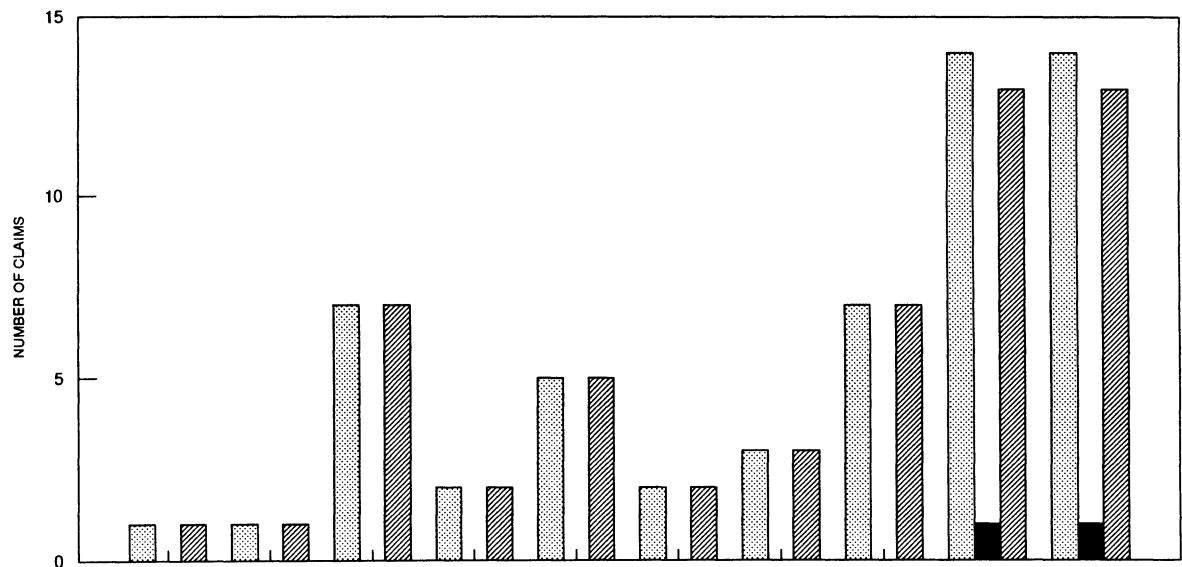
CLAIM OR SUIT ABANDONED

AVERAGE PAID INDEMNITY & AVERAGE LOSS EXPENSE



YEAR	1986	1987	1988	1989	1990	1991	1992	1993	1994	1995
AVG PAID INDEMNITY	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$1,651	\$5,000
AVG LOSS EXPENSE	\$0	\$0	\$207	\$525	\$0	\$68	\$1,840	\$1,710	\$1,460	\$1,958

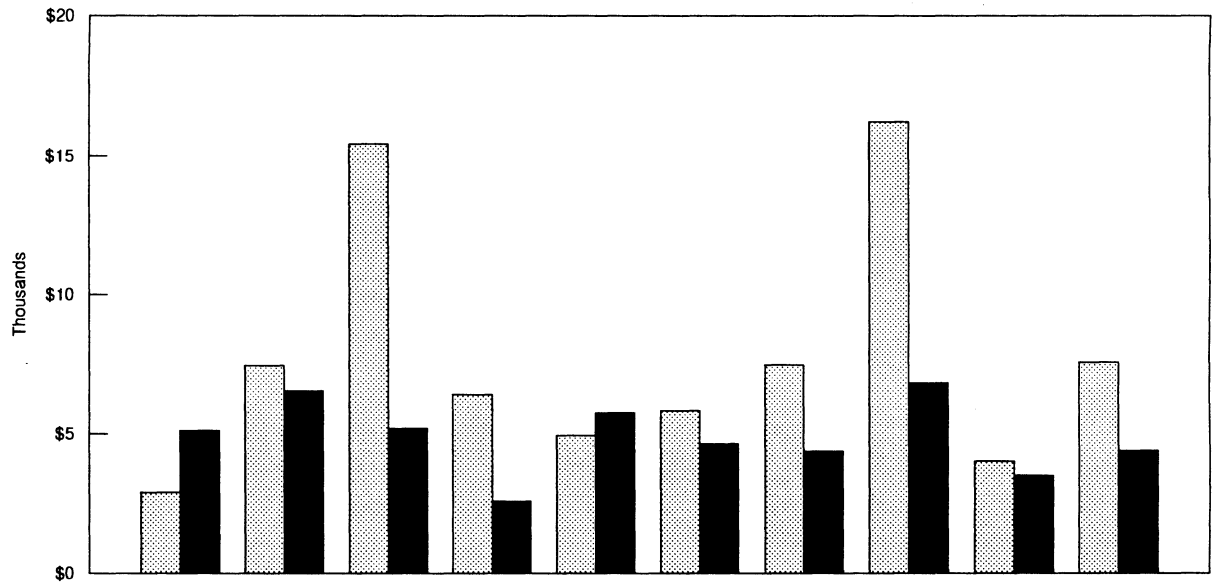
CLAIM COUNT



YEAR	1986	1987	1988	1989	1990	1991	1992	1993	1994	1995
ALL CLAIMS	1	1	7	2	5	2	3	7	14	14
CLOSED WITH PAYMENT	0	0	0	0	0	0	0	0	1	1
CLOSED WITHOUT PAYMENT	1	1	7	2	5	2	3	7	13	13

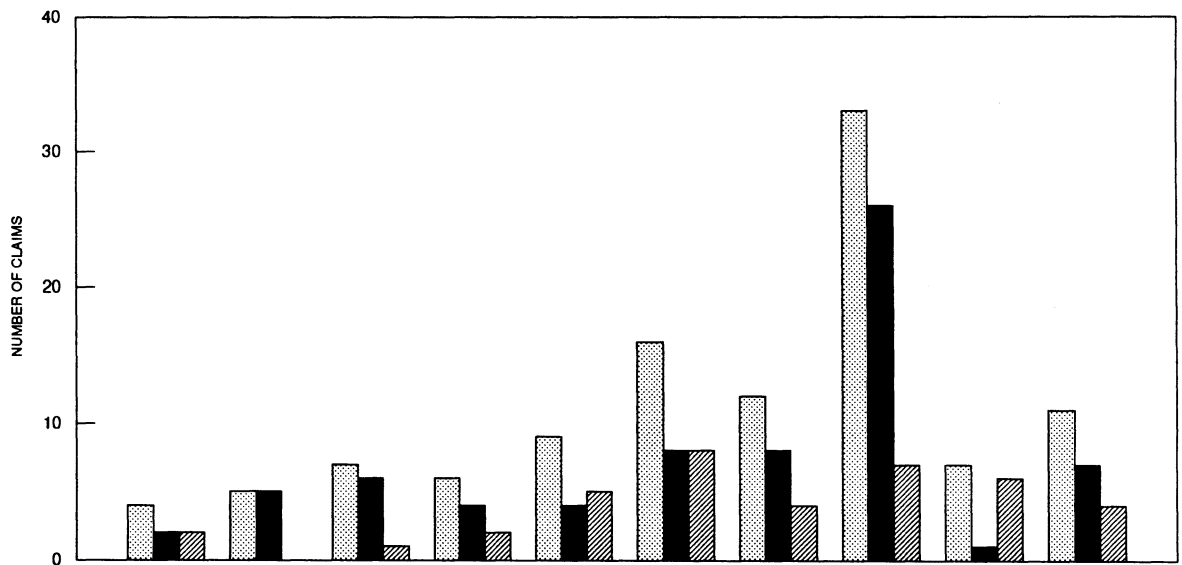
BEFORE TRIAL OR HEARING

AVERAGE PAID INDEMNITY & AVERAGE LOSS EXPENSE



YEAR	1986	1987	1988	1989	1990	1991	1992	1993	1994	1995
AVG PAID INDEMNITY	\$2,902	\$7,413	\$15,421	\$6,375	\$4,938	\$5,805	\$7,413	\$16,211	\$4,000	\$7,503
AVG LOSS EXPENSE	\$5,126	\$6,530	\$5,192	\$2,565	\$5,735	\$4,629	\$4,367	\$6,765	\$3,488	\$4,380

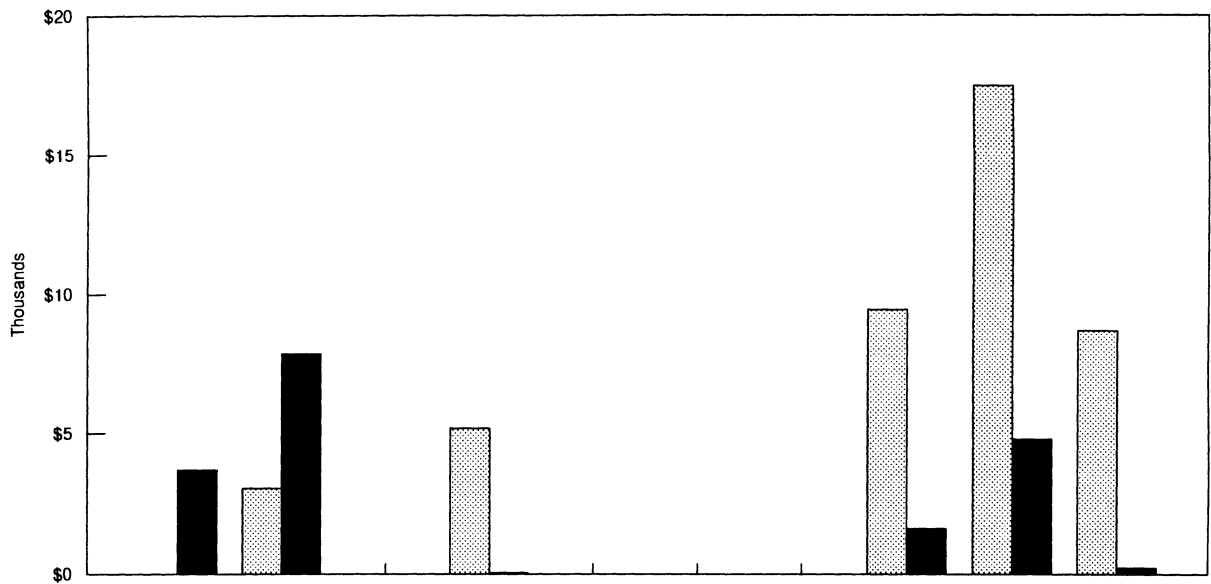
CLAIM COUNT



YEAR	1986	1987	1988	1989	1990	1991	1992	1993	1994	1995
ALL CLAIMS	4	5	7	6	9	16	12	33	7	11
CLOSED WITH PAYMENT	2	5	6	4	4	8	8	26	1	7
CLOSED WITHOUT PAYMENT	2	0	1	2	5	8	4	7	6	4

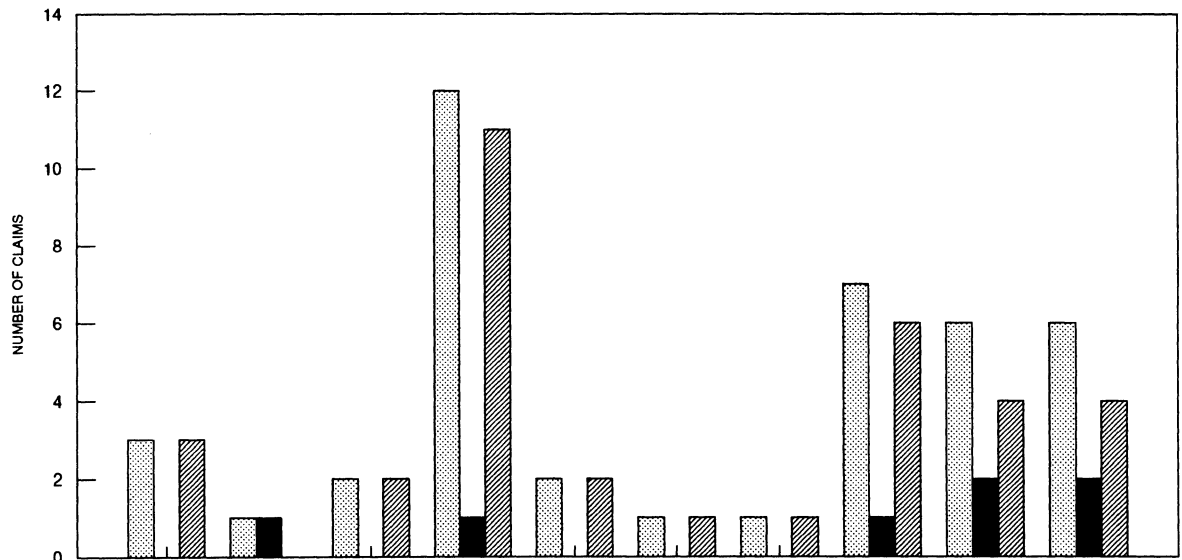
BEFORE FILING SUIT OR DEMANDING HEARING

AVERAGE PAID INDEMNITY & AVERAGE LOSS EXPENSE



YEAR	1986	1987	1988	1989	1990	1991	1992	1993	1994	1995
AVG PAID INDEMNITY	\$0	\$3,048	\$0	\$5,196	\$0	\$0	\$0	\$9,500	\$17,500	\$8,750
AVG LOSS EXPENSE	\$3,720	\$7,866	\$0	\$46	\$0	\$0	\$0	\$1,618	\$4,833	\$230

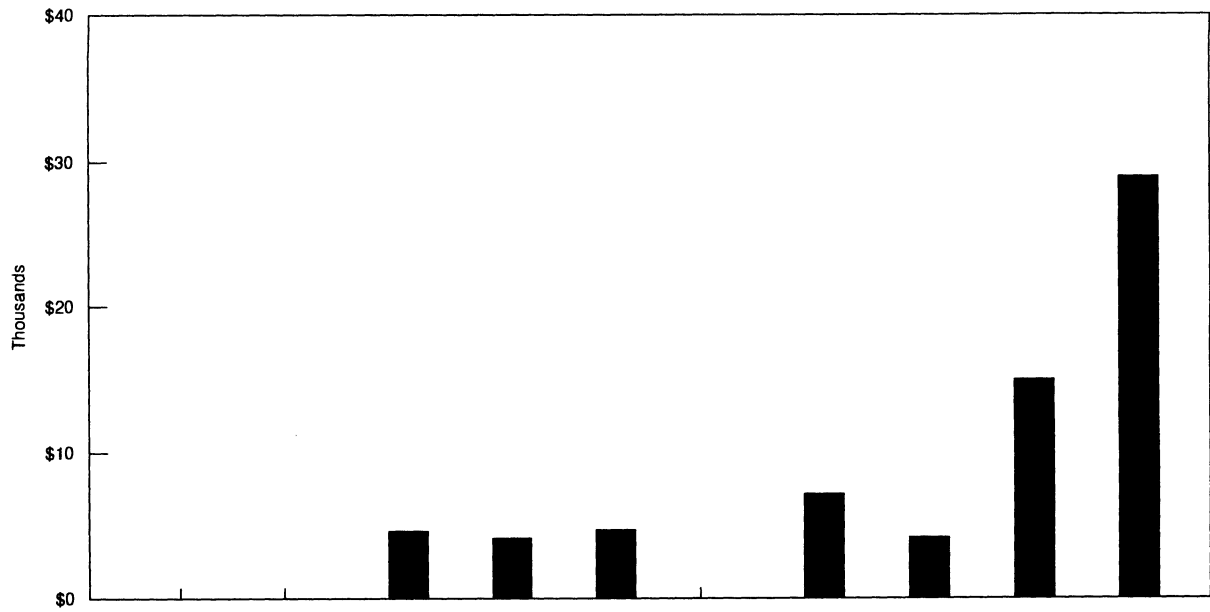
CLAIM COUNT



YEAR	1986	1987	1988	1989	1990	1991	1992	1993	1994	1995
ALL CLAIMS	3	1	2	12	2	1	1	7	6	6
CLOSED WITH PAYMENT	0	1	0	1	0	0	0	1	2	2
CLOSED WITHOUT PAYMENT	3	0	2	11	2	1	1	6	4	4

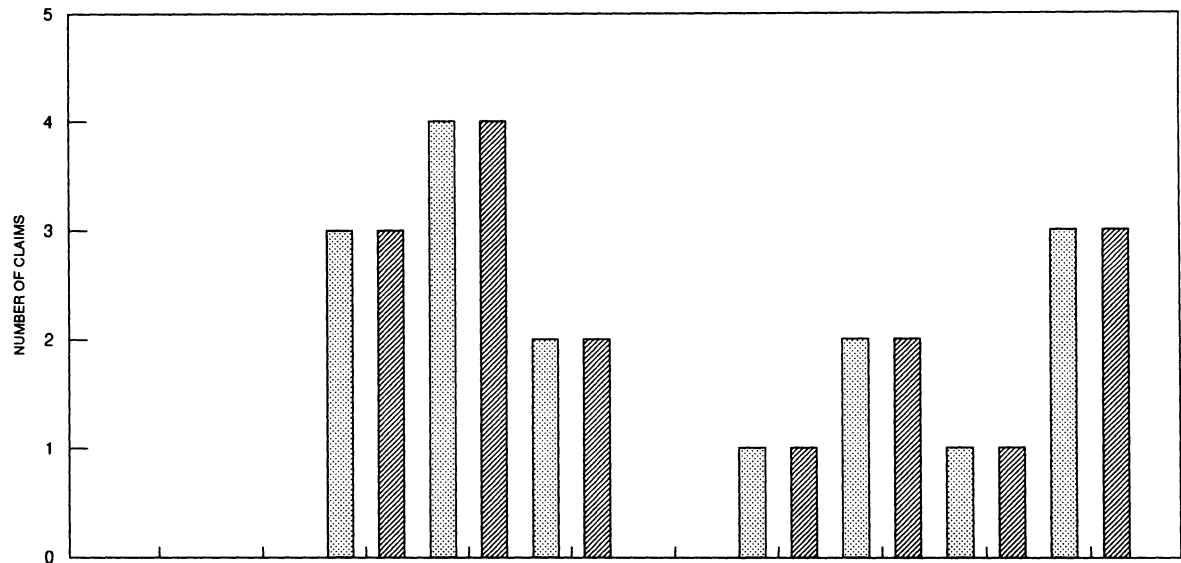
AFTER JUDGMENT, BEFORE APPEAL

AVERAGE PAID INDEMNITY & AVERAGE LOSS EXPENSE



YEAR	1986	1987	1988	1989	1990	1991	1992	1993	1994	1995
AVG PAID INDEMNITY	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
AVG LOSS EXPENSE	\$0	\$0	\$4,552	\$4,077	\$4,644	\$0	\$7,101	\$4,126	\$14,971	\$28,810

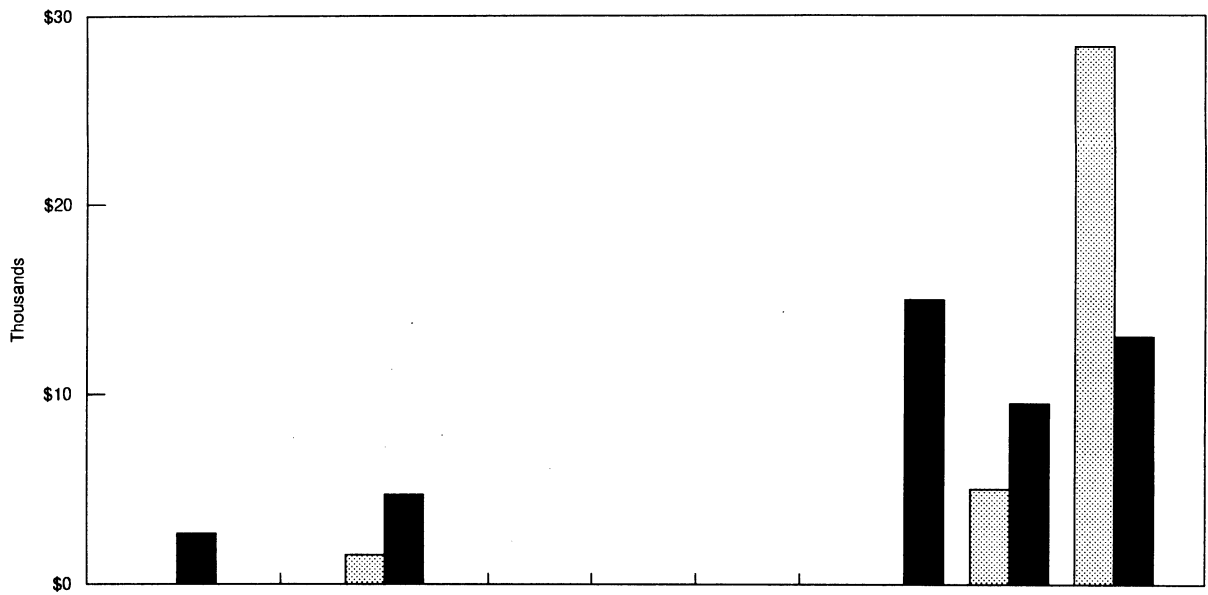
CLAIM COUNT



YEAR	1986	1987	1988	1989	1990	1991	1992	1993	1994	1995
ALL CLAIMS	0	0	3	4	2	0	1	2	1	3
CLOSED WITH PAYMENT	0	0	0	0	0	0	0	0	0	0
CLOSED WITHOUT PAYMENT	0	0	3	4	2	0	1	2	1	3

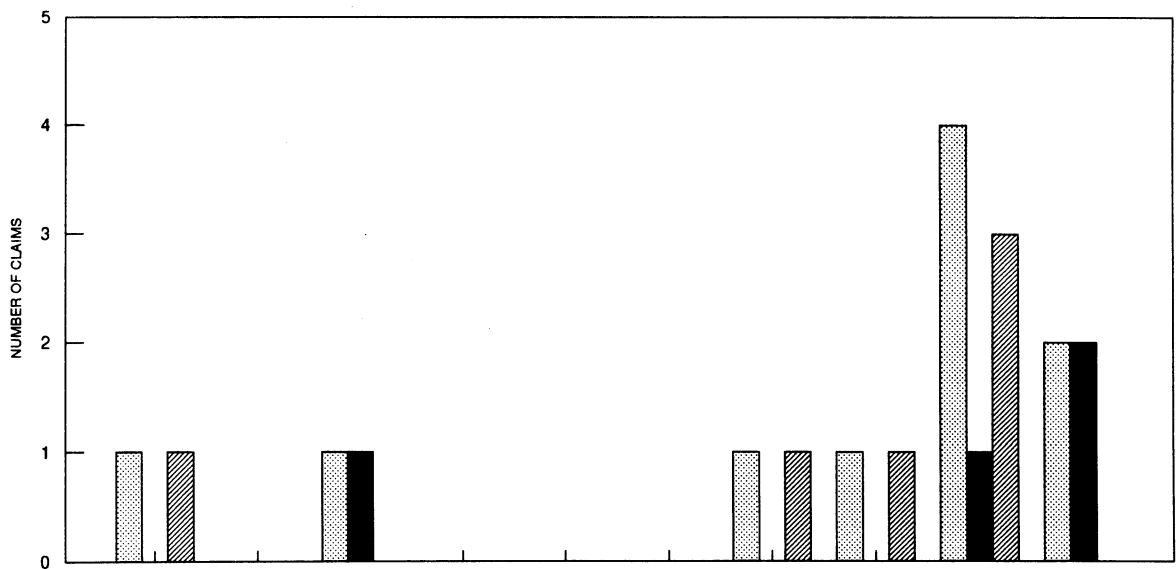
DURING TRIAL OR HEARING

AVERAGE PAID INDEMNITY & AVERAGE LOSS EXPENSE



YEAR	1986	1987	1988	1989	1990	1991	1992	1993	1994	1995
AVG PAID INDEMNITY	\$0	\$0	\$1,500	\$0	\$0	\$0	\$0	\$0	\$5,000	\$28,324
AVG LOSS EXPENSE	\$2,683	\$0	\$4,700	\$0	\$0	\$0	\$0	\$15,065	\$9,573	\$13,140

CLAIM COUNT



YEAR	1986	1987	1988	1989	1990	1991	1992	1993	1994	1995
ALL CLAIMS	1	0	1	0	0	0	1	1	4	2
CLOSED WITH PAYMENT	0	0	1	0	0	0	0	0	1	2
CLOSED WITHOUT PAYMENT	1	0	0	0	0	0	1	1	3	0

**TEN YEAR SUMMARY
&
1995 SUMMARY
BY
YEARS ADMITTED TO PRACTICE**

**REAL ESTATE MALPRACTICE INSURANCE
INDEMNITY SUMMARY
FOR YEARS 1986 - 1995**

YEARS ADMITTED TO PRACTICE	ALL CLOSED CLAIMS	NUMBER OF PAID CLAIMS	PERCENT OF PAID CLAIMS	AVERAGE INDEMNITY PAID PER PAID CLAIM	TOTAL INDEMNITY	PERCENT OF TOTAL INDEMNITY	AVERAGE LOSS EXPENSE FOR ALL CLOSED CLAIMS
NOT SPECIFIED	252	75	47.47%	\$8,754	\$656,538	51.30%	\$1,721
OVER 10 YEARS	141	42	26.58%	\$7,530	\$316,279	24.71%	\$3,163
4 TO 10 YEARS	101	36	22.78%	\$8,038	\$289,361	22.61%	\$4,293
UNDER 4 YEARS	12	5	3.16%	\$3,539	\$17,697	1.38%	\$2,127
TOTAL	506	158	100.00%	\$8,100	\$1,279,874	100.00%	\$2,646

**REAL ESTATE MALPRACTICE INSURANCE
INDEMNITY SUMMARY
CLAIMS CLOSED IN 1995**

YEARS ADMITTED TO PRACTICE	ALL CLOSED CLAIMS	NUMBER OF PAID CLAIMS	PERCENT OF PAID CLAIMS	AVERAGE INDEMNITY PAID PER PAID CLAIM	TOTAL INDEMNITY	PERCENT OF TOTAL INDEMNITY	AVERAGE LOSS EXPENSE FOR ALL CLOSED CLAIMS
4 TO 10 YEARS	19	6	50.00%	\$9,900	\$59,402	45.11%	\$8,339
OVER 10 YEARS	14	5	41.67%	\$6,124	\$30,621	23.26%	\$1,375
UNDER 4 YEARS	2	0	0.00%	\$0	\$0	0.00%	\$0
NOT SPECIFIED	1	1	8.33%	\$41,648	\$41,648	31.63%	\$12,000
TOTAL	36	12	100.00%	\$10,973	\$131,671	100.00%	\$5,269

**TEN YEAR SUMMARY
&
1995 SUMMARY
BY
INSURED/CLAIMANT RELATIONSHIP**

**REAL ESTATE MALPRACTICE INSURANCE
INDEMNITY SUMMARY
FOR YEARS 1986 - 1995**

INSURED'S RELATIONSHIP TO THE CLAIMANT	ALL CLOSED CLAIMS	NUMBER OF PAID CLAIMS	PERCENT OF PAID CLAIMS	AVERAGE INDEMNITY PAID PER PAID CLAIM	TOTAL INDEMNITY	PERCENT OF TOTAL INDEMNITY	AVERAGE LOSS EXPENSE FOR ALL CLOSED CLAIMS
NOT SPECIFIED	217	57	36.08%	\$4,678	\$266,620	20.83%	\$1,231
NON-CONTRACTUAL RELATIONSHIP WITH CLAIMANT	194	73	46.20%	\$9,897	\$722,459	56.45%	\$3,721
CONTRACTUAL RELATIONSHIP WITH CLAIMANT	95	28	17.72%	\$10,386	\$290,795	22.72%	\$3,682
TOTAL	506	158	100.00%	\$8,100	\$1,279,874	100.00%	\$2,646

**REAL ESTATE MALPRACTICE INSURANCE
INDEMNITY SUMMARY
CLAIMS CLOSED IN 1995**

INSURED'S RELATIONSHIP TO THE CLAIMANT	ALL CLOSED CLAIMS	NUMBER OF PAID CLAIMS	PERCENT OF PAID CLAIMS	AVERAGE INDEMNITY PAID PER PAID CLAIM	TOTAL INDEMNITY	PERCENT OF TOTAL INDEMNITY	AVERAGE LOSS EXPENSE FOR ALL CLOSED CLAIMS
NON-CONTRACTUAL RELATIONSHIP WITH CLAIMANT	19	8	66.67%	\$7,815	\$62,523	47.48%	\$6,541
CONTRACTUAL RELATIONSHIP WITH CLAIMANT	17	4	33.33%	\$17,287	\$69,148	52.52%	\$3,848
TOTAL	36	12	100.00%	\$10,973	\$131,671	100.00%	\$5,269

**PREMIUM
AND
LOSS DATA**

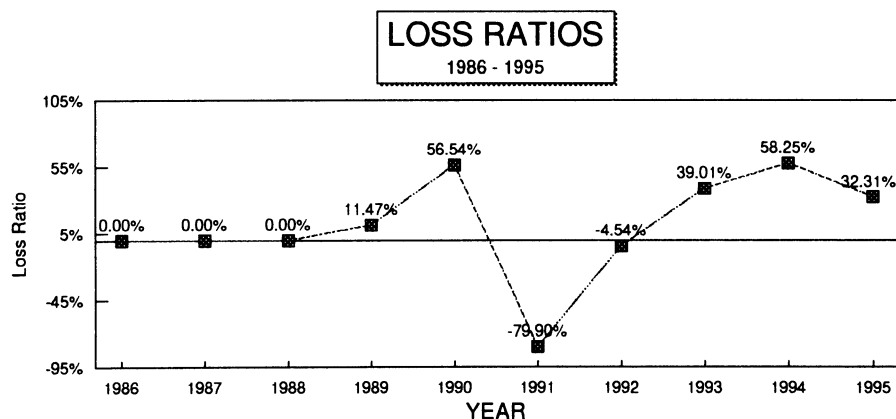
**PAGE 14 SUPPLEMENT REAL ESTATE MALPRACTICE EXPERIENCE
WITH MARKET SHARE**

1995 EXPERIENCE

NAIC Company Code	Company Name	Market Share	Written Premium	Earned Premium	Incurred Losses	Loss Ratio
20443	Continental Casualty Company	58.940%	481,383	479,806	187,237	39.02%
39845	Employers Reinsurance Corporation	31.097%	253,982	206,501	112,597	54.53%
25658	Travelers Indemnity Company	6.270%	51,210	32,579	(17,500)	-53.72%
35742	Acceleration National Ins Co	1.454%	11,879	11,879	44,354	373.38%
24767	St Paul Fire & Marine Insurance Co	0.720%	5,880	5,375	4,911	91.37%
20486	Transcontinental Insurance Company	0.524%	4,280	4,180	(3,820)	-91.39%
21318	Coregis Insurance Company	0.392%	3,198	12,764	(6,636)	-51.99%
19445	National Union Fire Ins Co of Pittsburg	0.329%	2,684	10,641	(69,672)	-654.75%
25976	Utica Mutual Insurance Company	0.119%	969	849	0	0.00%
20478	National Fire Ins Co of Hartford	0.076%	624	624	402	64.42%
20427	American Casualty Co of Reading PA	0.076%	618	683	2,835	415.08%
20494	Transportation Insurance Company	0.007%	61	3,803	5,710	150.14%
20508	Valley Forge Insurance Company	-0.004%	-31	294	-11623	-3953.40%
Total			816,737	769,978	248,795	32.31%

TEN YEAR SUMMARY

Year	Written Premium	Earned Premium	Incurred Losses	Loss Ratio
1986	0	0	0	0.00%
1987	0	0	0	0.00%
1988	0	0	0	0.00%
1989	800,245	805,834	92,404	11.47%
1990	671,136	745,357	421,437	56.54%
1991	479,109	463,941	(370,701)	-79.90%
1992	215,703	193,117	(8,765)	-4.54%
1993	332,664	316,333	123,417	39.01%
1994	721,963	591,594	344,609	58.25%
1995	816,737	769,978	248,795	32.31%
11-Year Total	4,037,557	3,886,154	851,196	21.90%



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